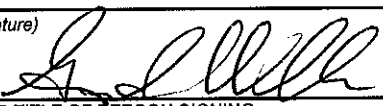
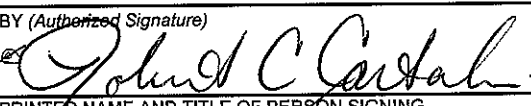


JUDICIAL COUNCIL OF CALIFORNIA, ADMINISTRATIVE OFFICE OF THE COURTS
MASTER AMENDMENT COVERSHEET

AGREEMENT NUMBER MA-200603	AMENDMENT NUMBER 002
FEDERAL EMPLOYER ID NUMBER 22-3552823	

1. All capitalized terms not defined in this Amendment have the meanings given to them in the Master Agreement referenced above.
2. This Amendment becomes effective on **October 31, 2008.**
3. The parties agree to amend the Master Agreement as follows:
 - a. The AOC elects the first one-year option to extend this Master Agreement, as provided in Section 2 (Term); therefore, the term of this Master Agreement is extended through October 31, 2009.
 - b. Exhibit A, Master Agreement Terms and Conditions is hereby deleted in its entirety and replaced with Exhibit A – Revision 1, attached hereto.
 - c. Exhibit B, Pricing Sheets is hereby deleted in its entirety and replaced with Exhibit B – Revision 1, attached hereto.
 - d. Exhibit C, Statement of Work is hereby deleted in its entirety and replaced with Exhibit C – Revision 1, attached hereto.
4. Except as provided in this Amendment, all terms and conditions of the original Master Agreement remain in full force and effect.

AOC'S SIGNATURE	CONTRACTOR'S SIGNATURE
Judicial Council of California, Administrative Office of the Courts	CONTRACTOR'S NAME (if Contractor is not an individual person, state whether Contractor is a corporation, partnership, etc.) Smiths Detection
BY (Authorized Signature) 	BY (Authorized Signature) 
PRINTED NAME AND TITLE OF PERSON SIGNING Grant Walker, Senior Manager, Business Services	PRINTED NAME AND TITLE OF PERSON SIGNING Robert C. Cartalemi, Director, Contract
ADDRESS 455 Golden Gate Avenue, 7 th Floor San Francisco, CA 94102	ADDRESS Attn: Mario Michard, Sales Manager PO BOX 410, Pine Brook, NJ 07058

*State of California Master Agreement
Amendment 2 to Master Agreement No. MA-200603 with Smiths Detection*

**Exhibit A – Revision 1
Master Agreement Terms and Conditions**

This Master Agreement for X-ray inspection units and related maintenance services ("Agreement") is by and between Smiths Detection, with offices at 195 Broadway, Newport, RI ("Contractor") and the Judicial Council of California Administrative Office of the Courts ("AOC") with offices at 455 Golden Gate Avenue, San Francisco, California.

In consideration of the mutual promises, covenants, terms and conditions set forth below, the parties hereby agree as follows:

- 1. PURPOSE:** The purpose of this Agreement is to set forth the terms and conditions that apply to Contractor's furnishing of X-ray inspection units and related maintenance services, as requested in RFP No. FIN-0606SE ("RFP") and as further described in Exhibit C - Statement of Work, to members of the Purchasing Group. The "Purchasing Group" includes: the 58 Superior Courts of California ("Trial Courts"); the California Appellate Courts, including the Supreme Court of California ("Appellate Courts"); and the AOC (each of which may be individually referred to as a member of the Purchasing Group or "Customer").
- 2. TERM:** The initial term of this Agreement is two (2) years, commencing on the Effective Date set forth on the Standard Agreement form with three (3) one-year options to extend the term, which options may be exercised by the AOC in its sole discretion anytime prior to the expiration of the initial term. If the AOC elects to extend the term of this Agreement, the AOC may negotiate price adjustments applicable during the option period(s) and any agreed-upon price adjustments will be set forth in a written amendment to this Agreement.
- 3. OBLIGATION:** This Agreement does not obligate the AOC or any member of the Purchasing Group to place any orders under this Agreement nor does it guarantee Contractor a specific volume of orders under this Agreement.
- 4. RELATIONSHIP OF PARTIES:** The AOC has the authority to enter into master agreements for goods and services on behalf of the Purchasing Group. Individual members of the Purchasing Group may elect to utilize this Agreement by placing orders, as set forth herein, in which case the terms and conditions of this Agreement shall govern such purchase. Each Purchase Order placed by a member of the Purchasing Group and incorporating the terms of this Agreement shall constitute and be construed as a separate, independent agreement between such member and Contractor. The term "Purchase Order" refers to an ordering document used by any member of the Purchasing Group to place orders for X-ray inspection units and related maintenance services under this Agreement.
- 5. SCOPE OF SERVICE AND PRICE:**
 - (a) Contractor shall provide X-ray inspection units and related maintenance services to members of the Purchasing Group pursuant to the terms and conditions of this Agreement. The description and price for the X-ray inspection units and related maintenance services are set forth in Exhibit B - Pricing Sheets.
 - (b) Contractor's prices set forth in Exhibit B - Pricing Sheets, include all anticipated charges, including but not limited to, cost of materials and product, overhead, profits, and other costs or expenses incidental to Contractor's performance under this Agreement.
 - (c) If Contractor requires reimbursement for travel expenses associated with installation and maintenance services, reimbursement will be in accordance with the AOC Travel Rate Guidelines, as set forth herein. All travel that is to be reimbursed must be pre-approved and authorized by the Customer in writing. Contractor will provide copies of receipts and invoices for reimbursement of such travel expenses. Contractor will not be reimbursed for travel expenses that have not been authorized in writing.
- 6. INSTALLATION SERVICES:** All products ordered by the Purchasing Group members that require installation shall be completely installed and tested for functionality by Contractor. Installation and testing shall be completed as set forth in the ordering document. All costs and expenses for installation and testing shall be indicated, if applicable, in the prices set forth in Exhibit B - Pricing Sheets.
- 7. MAINTENANCE SERVICES:** If Customer orders maintenance services, such service shall be provided pursuant to the prices set forth in Exhibit B - Pricing Sheets and the terms and conditions set forth in this Agreement and Exhibit C - Statement of Work.

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8. INVENTORY: Contractor shall maintain access to a stock of products necessary to ensure prompt delivery of orders for goods placed by members of the Purchasing Group. Failure to maintain access to such a stock shall be deemed a material breach of this Agreement.

9. ORDERING:

(a) Members of the Purchasing Group may place individual orders for X-ray inspection units and related maintenance services provided pursuant to this Agreement. Orders may be placed by telephone, facsimile, Contractor's designated Internet site, or by issuing a Purchase Order. The form and format of a Purchase Order may vary. The terms and conditions of this Agreement No. MA-200603 are applicable to all orders, regardless of the ordering process selected. The Customer placing the order will be responsible for receipt and acceptance of goods and payment pursuant to the terms and conditions set forth in this Agreement.

(b) Contractor shall provide the Customer placing the order with the lead time required for the product(s) ordered. Contractor shall coordinate the delivery and installation dates with Customer prior to finalizing the order and include a schedule for delivery, completion of installation and testing on the order. Contractor shall provide Customer and the AOC Project Manager with an immediate acknowledgement of the order. The acknowledgement will be submitted by facsimile or email, regardless of what method is used to place the order, and will include: the products and services ordered, delivery and installation dates, and Contractor's contact information. The Purchase Order is not binding until Contractor provides acknowledgement of the order to Customer, including the products and services ordered, delivery and installation dates, and contact information.

(c) Contractor shall maintain a toll-free number for ordering, inquiries, and customer service, including requests for maintenance service.

10. PRODUCT AND SERVICES WARRANTIES:

(a) All goods provided hereunder shall be new and will perform to the manufacturer's specifications, and shall be warranted against defects in material and workmanship. Contractor shall pass through all manufacturer supplied end-user warranties to Customer on all goods provided pursuant to this Agreement.

(b) Contractor further warrants that all services shall be rendered in a good and workmanlike manner by skilled personnel in compliance with all applicable laws and regulations.

(c) Contractor represents and warrants that it has obtained from the manufacturers of all goods provided hereunder, and has the authority to and will assign or pass through to the purchaser of such goods, the following representations and warranties: that the manufacturers will at its own expense defend, indemnify and hold harmless Contractor, the AOC and Customer from and against any claim, charge, demand, proceeding, suit, liability, loss, cost, expense, order, decree, attorneys fees, court costs, trial or appeal and judgments, including damages of any kind, resulting from, arising out of or in connection with any actual or claimed: (a) personal injury (including death), property damage or loss of any nature whatsoever alleged to have occurred as a result of the use of any of the goods covered by this Agreement, (b) defect in material, workmanship or design or (c) infringement of any patent, trademark, trade secret, or copyright by any of the goods provided hereunder.

(d) The parties agree that the AOC may transfer and assign any item in Exhibit B, Pricing Sheets, including all applicable warranties, rights to maintenance services, other contract rights, and other rights and duties of the AOC under this Master Agreement to any other member of the Purchasing Group without the consent of the Contractor. Upon transfer, Contractor shall recognize the assignee/transferee member of the Purchasing Group as the Customer with respect to such product or service and afford this assignee/transferee the same rights as the AOC.

11. PACKAGING: All products must be delivered in the manufacturer's standard package. Prices shall include all packing and/or crating charges. Cases shall be of durable construction, good condition, properly labeled and suitable in every respect for storage and handling of contents.

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12. DELIVERY AND PACKING SLIPS:

(a) Each shipping carton must be marked with the commodity, brand, quantity, item code number and the Customer's Purchase Order number. Each shipment must include a packing slip showing: the Purchase Order number; the ordering date; ordering department, if appropriate; "ship to" location; item number; product description; quantity shipped; and, for backordered items, the expected ship date. Any itemized packing slip bearing the Purchase Order must remain with the goods at the time of delivery to insure its receipt.

(b) Shipping and delivery costs, if applicable, shall be quoted to Customer at the time the order is placed. Contractor's invoice shall indicate the applicable shipping and delivery costs as a separate line item on the invoice.

(c) Time is of the essence for delivery of goods and any other performance required of Contractor. Delivery of goods shall be made in accordance with the instructions included at the time the order is placed. All deliveries will be made F.O.B. (free on board) destination as freight pre-paid. Specific delivery instructions will be provided at the time the order is placed and noted on the Purchase Order. Unless specifically stated on the Purchase Order, no charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or any other purpose will be incurred or paid by Customer.

(d) Any damage during delivery or installation to the Customer's premises or property, including but not limited to building interior, walls, freight elevator, etc., will be the responsibility of Contractor. If damage does occur, Contractor must immediately notify the Customer.

13. RISK OF LOSS: Contractor shall bear the risk of loss or damage to the ordered goods until Contractor delivers the goods as indicated on the Purchase Order.

14. INSPECTION AND ACCEPTANCE:

(a) Notwithstanding any prior inspection or payments, all goods and services provided hereunder shall be subject to final inspection and acceptance or rejection by the Customer for compliance with the applicable specifications at any time within thirty (30) days after delivery and installation. All items which are not in compliance with the specifications hereof, which are not as warranted, or which are shipped late, shipped in excess or insufficient quantities, or substituted for items ordered hereunder may be rejected in whole or in part by the Customer and returned at Contractor's expense and risk. Payment shall not constitute an acceptance of noncompliant goods or services, or impair Customer's right to any of its remedies.

(b) If Customer requests maintenance service, a designated representative of Customer ("Representative") will review any completed repairs and approve by signing Contractor's service report. The designated Representative must then be given a copy of this approved Contractor service report. For time and materials repairs, Contractor's invoice will not be paid unless Contractor's service report is approved by the Representative.

15. REPLACEMENT RETURN POLICY: Contractor will arrange for the return of all mis-shipped, returned, or damaged items at no cost to Customer. There will be no restocking fee for returns of items that are damaged or shipped by Contractor in error. Contractor will not charge and Customer will not pay for the return of any mis-shipped or damaged items.

16. INVOICES, PAYMENT AND SETOFF: Customer shall have no obligation to pay for any item until one original and two copies of a correct invoice for the item is received at the address shown on the Purchase Order. Payment is due net 30 days, unless otherwise indicated on the Purchase Order. Each invoice shall be printed on Contractor's standard printed bill form, and shall include at a minimum (a) the Purchase Order number, (b) Contractor's name and address, (c) the nature of the invoiced charge, (d) the description and quantity of goods provided; (e) the per unit amount charged; and (f) the extended price, including all applicable delivery charges and taxes itemized separately. Amounts owed to Customer due to rejections of goods or services or discrepancies in said invoices will be, at the Customer's option, fully credited against future invoices payable by Customer, or paid by Contractor within thirty (30) days from Contractor's receipt of a debit memo or other written request for payment by Customer. Customer shall have the right at any time to set off any amount owing from Contractor to Customer against any amount payable by Customer pursuant to any Purchase Order or any other transaction or occurrence.

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17. REPORTS: Contractor shall provide a quarterly program report that includes a list of all products that are manufacturer discontinued within the current quarter or are scheduled to be manufacturer discontinued within the next twelve month period. The report shall include a proposed replacement product for any product that is manufacturer discontinued. Additionally, the quarterly report shall provide a summary, by Purchasing Group member, of the goods and services ordered, including the total value ordered during the quarter reported. Quarterly reports must be provided to the Contract Manager no later than thirty (30) days after the end of each quarter and shall include purchases that are invoiced or paid for with a credit card.

18. AUDIT RIGHTS: Contractor agrees to maintain records relating to performance and billing by Contractor under this Agreement for a period of four (4) years after final payment of any Purchase Order issued under this Agreement. During the period of time that Contractor is required to retain such records, the AOC or its supervised representative may, during normal business hours, inspect and make extracts or copies of such records and other materials for purposes of confirming the accuracy of invoices submitted hereunder.

19. TERMINATION:

(a) The AOC may terminate this Agreement without cause by providing Contractor with thirty (30) days prior written notice. A Customer may terminate any Purchase Order if Contractor is in breach of the terms of such Purchase Order, including this Agreement, and such breach is not cured within thirty (30) days of notice from such Customer.

(b) Contractor may terminate a Purchase Order, with respect to a Customer if such Customer fails to pay delinquent invoices due hereunder within thirty (30) days after receipt of written notice of delinquency, or if a Customer is delinquent in payment more than twice in any calendar year. Invoices are considered delinquent if payment is not received within forty-five (45) days of Customer's receipt of invoice.

(c) Contractor shall provide the AOC written notice of delinquency at the same time notice is given to the delinquent Customer.

(d) The AOC may terminate this Agreement for cause immediately.

(e) Each Customer's obligations under a Purchase Order are subject to the availability of funds authorized for the purchase. Expected or actual funding may be withdrawn, reduced, or limited prior to the fulfillment of the order. Upon written notice, a Customer may terminate a purchaser order, in whole or in part, without prejudice to any right or remedy of the Customer, for lack of appropriation of funds. Upon termination, the Customer will pay Contractor for the goods or services delivered or completed prior to the termination.

20. INDEMNITY: CONTRACTOR SHALL INDEMNIFY, DEFEND (WITH COUNSEL SATISFACTORY TO THE AOC) AND HOLD HARMLESS THE PURCHASING GROUP MEMBERS NAMED IN THIS AGREEMENT, AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL LOSSES, COSTS (INCLUDING REASONABLE ATTORNEYS' FEES), LIABILITIES, DAMAGES, AND EXPENSES, INCLUDING INTEREST, PENALTIES AND SETTLEMENT AMOUNTS ENTERED INTO, IN EACH CASE WITH RESPECT TO ANY AND ALL THIRD PARTY CLAIMS CAUSED BY, ARISING OUT OF OR RESULTING IN ANY WAY FROM ANY DEFECT, WHETHER LATENT OR PATENT, IN THE GOODS OR SERVICES PURCHASED HEREUNDER OR FROM ANY ACT OR OMISSION BY CONTRACTOR, ITS AGENTS OR EMPLOYEES, INDEPENDENT CONTRACTORS OR SUBCONTRACTORS. THIS INDEMNIFICATION SHALL BE IN ADDITION TO THE WARRANTY OR OTHER OBLIGATIONS OF CONTRACTOR AND SHALL APPLY WITHOUT REGARD TO WHETHER THE CLAIM, DAMAGE, LOSS, LIABILITY, COST OR EXPENSE IS BASED ON BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY. THIS INDEMNITY SHALL SURVIVE DELIVERY AND ACCEPTANCE OF GOODS OR SERVICES.

21. INFRINGEMENT INDEMNITY: Contractor shall indemnify, defend (with counsel satisfactory to the AOC) and hold the Purchasing Group members named in this Agreement and their respective officers, agents, and employees harmless from any and all losses, costs (including reasonable attorneys' fees), liabilities, damages and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all third party claims which arise out of any claim of infringement, misappropriation or unauthorized use of any patent, trade secret, copyright, or trademark in connection with any goods or services furnished or provided by Contractor under this Agreement.

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22. INSURANCE:

(a) General Insurance Requirements.

Contractor will obtain and maintain the minimum insurance set forth in subparagraph (b), below. By requiring such minimum insurance, neither the AOC nor members of the Purchasing Group will be deemed nor construed to have assessed the risks applicable to Contractor. Contractor will assess its own risks, and if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage. For full coverage, each insurance policy shall be written on an "occurrence" form; excepting that insurance for professional liability, when required, may be acceptable on a "claims made" form. If coverage is approved and purchased on a "claims made" basis, Contractor warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, for three years from the date of termination of the Agreement.

(b) Minimum Scope & Limits of Coverage. Contractor will maintain the following minimum coverages:

1. Workers' Compensation at statutory requirements of the state of residency.
2. Employers' Liability with minimum limits of \$1,000,000.00 for each accident.
3. Commercial General Liability Insurance with minimum limits of \$1,000,000.00 for each occurrence, Combined Single Bodily Injury and Property Damage and Personal Injury. If coverage is subject to an aggregate limit, that aggregate limit will be twice the occurrence limit.
4. Business Automobile Liability Insurance with minimum limits of \$1,000,000.00 for each occurrence, Combined Single Limit Bodily Injury and Property Damage, including owned and non-owned and hired automobile coverage, as applicable.
5. Excess coverage, at the same limits specified for Comprehensive General Liability: Contractual Liability, Independent Contractor, Broadform Property Damage, Personal Injury, Product, and Completed Operation coverage.

(c) Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the AOC. The deductible and/or self-insured retentions will not limit or apply to Contractor's liability to any member of the Purchasing Group and will be the sole responsibility of Contractor.

(d) Endorsements; Additional Insureds. The General Liability policy will contain, or be endorsed to contain, the following provisions:

1. Judicial Branch Entities, as defined in California Government Code section 900.3, and their respective officers, officials, employees and agents will be covered as additional insureds for liability arising out of activities performed by, or on behalf of, Contractor;
2. To the extent of Contractor's negligence or misconduct, Contractor's insurance coverage will be primary insurance as respects a Judicial Branch Entity, its officers, officials, employees and agents. Any insurance and/or self-insurance maintained by a Judicial Branch Entity, its officers, officials, employees or agents will not contribute with the insurance, or benefit Contractor in any way;
3. Contractor's insurance will apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability;
4. Contractor will provide the AOC with certificates of insurance satisfactory to the AOC, evidencing all required coverages before Contractor begins any work, and complete copies of each policy upon the AOC's request;
5. If at any time, the foregoing policies become unsatisfactory to the AOC, as to form or substance, or if a company issuing any such policy becomes unsatisfactory to the AOC, Contractor will, upon notice from the AOC, promptly obtain a new policy, and submit the same to the AOC, with the appropriate certificates and endorsements, for approval;
6. All of Contractor's policies will be endorsed to provide written notice to the AOC of cancellation, non-renewal, and reduction in coverage, within fifteen days, mailed to the AOC's representative for notices named in this Agreement. Such notice will reference the relevant project, and contract number.

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(e) Waiver of Subrogation. Contractor and its insurance carrier waive any and all rights of subrogation against a Judicial Branch Entity. This waiver will be reflected on the Certificate of Insurance, provided by Contractor. If Contractor fails to obtain the appropriate waivers of subrogation, additional insured status, or certificates of insurance from carrier, Contractor will indemnify the Judicial Branch Entity from all costs and liability caused by Contractor's breach.

23. REPRESENTATIONS AND WARRANTIES. Contractor represents and warrants that:

(a) Contractor shall observe and comply with all applicable federal, state, and local laws, rules, and regulations affecting goods and services under this Agreement.

(b) During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and its subcontractors shall not engage in unlawful harassment, including sexual harassment, with respect to any persons with whom Contractor or its subcontractors interact in the performance of this Agreement. Contractor and its subcontractors shall take all reasonable steps to prevent harassment from occurring.

(c) Contractor shall comply with applicable provisions of the Fair Employment and Housing Act, California Government Code, Sections 12900 et seq., and the applicable regulations promulgated under California Code of Regulations, Title 2, Sections 7285 et seq.

(d) Contractor and any of its subcontractors shall give written notice of the above obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

(e) Contractor shall comply with applicable provisions of the Americans with Disabilities Act ("ADA") of 1990 (42 U.S.C. Sections 12101 et seq.), which prohibits discrimination on the basis of disability, as well as with all applicable regulations and guidelines issued pursuant to the ADA.

(f) No gratuities, in the form of entertainment, gifts, or otherwise, were offered by Contractor or any agent, director, or representative of Contractor, to any officer, official, agent, consultant, or employee of the AOC with a view toward securing this Agreement or securing favorable treatment with respect to any determinations concerning the performance of this Agreement. For breach or violation of this representation, the AOC has the right to terminate this Agreement for cause, either in whole or in part, and any loss or damage sustained by the AOC, or the Purchasing Group members named in this Agreement in procuring, on the open market, any items which Contractor agreed to supply, shall be borne and paid for by Contractor. The rights and remedies of the Purchasing Group provided for in this provision shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Agreement.

24. STATUS AS INDEPENDENT CONTRACTOR AND SUBCONTRACTS: Contractor is an independent contractor and while performing work on or off the premises of the Purchasing Group members named in this Agreement neither it nor any of its agents or employees shall be considered agents or employees of such Purchasing Group members. Contractor shall not subcontract or delegate its obligations under this Agreement without the prior written consent of the AOC.

25. AGREEMENT ADMINISTRATION/COMMUNICATION:

(a) Under this Agreement, the AOC Contract Manager shall monitor and evaluate Contractor's performance. The AOC Contract Manager for this Agreement is named below. All requests and communications concerning this Agreement shall be made through the AOC Contract Manager. Any notice from Contractor to the AOC shall be in writing and shall be delivered to the following addresses by depositing in the U.S. Mail or commercial express mail, first-class and pre-paid with return receipt requested:

Jeff Utberg, Contract Manager
Judicial Council of California
Administrative Office of the Courts
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833-3509
Telephone: 916-263-1779
FAX: 916-263-5167

Malcolm Franklin, Project Manager
Judicial Council of California
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Telephone: 415-865-8830
FAX: 415-865-8990

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(b) **Customer Contact:** Each order will include a contact for the Customer placing the order. Contractor shall contact the individual named on the Purchase Order regarding questions on the order or payment status.

(c) **Notice to Contractor** shall be directed in writing and shall be delivered to the following address by depositing in the U.S. Mail or commercial express mail, first-class and pre-paid with return receipt requested:

Smiths Detection, Inc.
Attention: Denise Saracco, Contracts Administrator
PO BOX 410
Pine Brook NJ 07058
Telephone: 973-830-2022
Fax: 973-830-2200
denise.saracco@smithsdetection.com

26. ASSIGNMENT: Neither party shall assign this Agreement, either in whole or in part, without the prior consent of the other party in the form of a written amendment signed by the AOC and Contractor. Such consent shall not be unreasonably withheld. However, the parties agree that in the event the AOC is required by law, statute, or regulation to assign this Agreement to another government entity for administrative or other purposes, Contractor's consent is not required. This Agreement shall be binding upon and inure to the benefit of successors and assigns of the parties.

27. GOVERNING LAW, VENUE: The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provision. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in the City and County of San Francisco.

28. CONTRACT CONSTRUCTION: Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of the Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

29. SURVIVAL: Terms which shall survive any termination or expiration of this Agreement include, but are not limited to, Indemnity, Warranties, Infringement Protection, Audit Rights, and Assignment.

30. SIGNATURE AUTHORITY: The parties signing this Agreement certify that they have proper authorization to do so.

31. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement and final understanding of the parties with respect to the subject matter hereof and supersedes and terminates any and all prior and/or contemporaneous negotiations, representations, understandings, discussions, offers, proposals, or agreements between the parties, whether written or oral, express or implied, relating in any way to the subject matter hereof.

32. AOC TRAVEL RATE GUIDELINES: The AOC's policy and limits on reimbursable travel-related expenses are listed below.

(a) **Lodging** - Receipts are required and each day of lodging claimed must be listed separately. Maximum rates are listed below.

1. In-state - Actual costs are reimbursable up to a maximum of \$110 per day, plus tax and energy surcharge. Within the counties of Alameda, San Francisco, San Mateo, and Santa Clara, the maximum rate is \$140, plus tax and energy surcharge.
2. Out-of-state - Actual costs are reimbursable with appropriate prior approval.

(b) **Meals** - Actual costs are reimbursable up to the limits stated below for continuous travel of more than 24 hours.

1. Breakfast – Up to \$6.
2. Lunch – Up to \$10.
3. Dinner – Up to \$18.

For continuous travel of less than 24 hours, actual expenses up to the above limits may be reimbursable if:

1. Travel begins one hour before normal work hours – Breakfast may be claimed.
2. Travel ends one hour after normal work hours – Dinner may be claimed. Lunch may not be claimed on trips of less than 24 hours.

(c) **Incidental Expenses** – Up to \$6 per day. Incidentals are not reimbursable for one-day trips; they may only be claimed after 24 hours.

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(d) Transportation – The actual cost of tickets for air, rail, bus, rental car, or other forms of public transportation is reimbursable. The lowest cost ticket available must be purchased. Receipts are required for rental cars and air travel. For ticketless travel, the traveler's itinerary may be submitted in lieu of a receipt.

1. The actual costs of cab fare, public parking, and tolls are reimbursable. Receipts are required for all expenses of \$3.50 or more.

2. Mileage – Personal vehicle mileage is reimbursable at a rate of \$.34 per mile

(e) Other Business Expenses – Actual cost is reimbursable. Receipts are required for all other business expenses, regardless of the amount claimed.

End of Exhibit A – Revision 1

*State of California Master Agreement
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**Exhibit B – Revision 1
Pricing Sheets**

Number	Description	Price Per Unit
1	Model 5030si Hi-Scan X-ray Inspection Unit (1 year warranty)	\$20,255.00
2	Standard Labor Rate for Time And Materials Repairs (Monday – Friday, 8:30am – 5:00pm)	\$150.00 per hour
3	Overtime Labor Rate for Time And Materials Repairs (Monday – Friday, 5:00pm – 8:30am, Saturday until 5:00pm)	\$225.00 per hour
4	Double Time Labor Rate for Time And Materials Repairs (Saturday 5:00pm – Sunday 12:00pm, holidays)	\$300.00 per hour
5	Travel Time Rate (other travel expenses are billed separately)	\$125.00 per hour
6	1 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Priority On-Site Agreement	\$4,200.00 per year
7	1 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – On-Site Agreement	\$3,300.00 per year
8	1 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Parts Only Agreement	\$2,300.00 per year
9	1 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Shared Service 500 Agreement	\$2,700.00 per year
10	2 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Priority On-Site Agreement	\$8,064.00 per year
11	2 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – On-Site Agreement	\$6,336.00 per year
12	2 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Parts Only Agreement	\$4,416.00 per year
13	2 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Shared Service 500 Agreement	\$5,184.00 per year
14	3 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Priority On-Site Agreement	\$11,718.00 per year
15	3 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – On-Site Agreement	\$9,207.00 per year
16	3 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Parts Only Agreement	\$6,417.00 per year
17	3 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Shared Service 500 Agreement	\$7,533.00 per year
18	4 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Priority On-Site Agreement	\$15,120.00 per year
19	4 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – On-Site Agreement	\$11,880.00 per year
20	4 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Parts Only Agreement	\$8,280.00 per year
21	4 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Shared Service 500 Agreement	\$9,720.00 per year
22	5 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Priority On-Site Agreement	\$17,850.00 per year
23	5 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – On-Site Agreement	\$14,025.00 per year
24	5 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Parts Only Agreement	\$9,775.00 per year
25	5 Year Maintenance Contract for Model 5030si Hi-Scan X-ray Inspection Unit – Shared Service 500 Agreement	\$11,475.00 per year

End of Exhibit B – Revision 1

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**Exhibit C – Revision 1
Statement Of Work**

1. Description of Products and Services to be Provided

A. Members of the Purchasing Group may, at their discretion, order X-ray inspection units and related maintenance services under this Agreement by placing an individual order via a Purchase Order.

B. The term "Contract Item" is defined as any item or replacement item (as agreed to by the AOC) that is included in Exhibit B - Pricing Sheets, as may be amended from time to time. The term "Contract Pricing" is defined as the price for a Contract Item.

2. Contractor Contact Information

A. Service and Technical Support

Telephone: 800-297-0955. Please have serial number of X-Ray unit when calling.

B. Purchase Order Submittal

Mario Michard, Western Region Sales Manger
PO BOX 410
Pine Brook NJ 07058
Telephone: 719-302-5885
Cell: 719-659-8050
Fax: 800-379-0976
mario.michard@smithsdetection.com

C. Sales Support

Mario Michard, Western Region Sales Manger
PO BOX 410
Pine Brook NJ 07058
Telephone: 719-302-5885
Cell: 719-659-8050
Fax: 800-379-0976
mario.michard@smithsdetection.com

3. Specifications for X-ray Inspection Units and Maintenance Services

A. Equipment Specifications

All X-ray inspection units sold by Contractor to any Customer under this Agreement will be priced as set forth in Exhibit B – Pricing Sheet and must meet the following specifications:

- i. Should be capable of being mounted to a desk top and have a wheeled base option.
- ii. Unit should not exceed 300 lbs weight (without a wheeled base unit).
- iii. Tunnel should not be less than 20" wide or 12" High
- iv. Overall dimensions should not exceed 50" long by 30" high by, 30" wide.
- v. Power chord length: not less than 6 feet.
- vi. 17" minimum size color monitor.
- vii. Power supply 110 volts AC.
- viii. Automated and motorized conveyer system.

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ix. Steel, stainless steel or aluminum construction.

B. Maintenance Services

- i. Contractor will offer to members of the Purchasing Group a time and materials repair option as referenced and at prices set forth in Exhibit B – Pricing Sheets.
- ii. Contractor will offer to members of the Purchasing Group the following Maintenance Agreement options at prices set forth in Exhibit B – Pricing Sheets and as described as follows:
 - a) Priority On-Site
 - On-Site Service Coverage – Extended Hours, evenings and weekends
 - 12 to 24 hour Response Time.
 - Includes all Labor.
 - Includes all Travel Expenses.
 - Includes all replacement parts required.
 - Unlimited Access to our 24 hour by 7 day Technical Support Help Desk.
 - One Annual Radiation Survey.
 - One Annual Preventive Maintenance check. Complete operational and calibration procedure performed.
 - Preferred Customer Status – 25% Discount on User/Applications Training and Professional Services.
 - b) On-Site
 - On-Site Service Coverage – 8:30 a.m. – 5:00 p.m., Monday – Friday excluding holidays.
 - 24 to 36 hour Response Time.
 - Includes all Labor.
 - Includes all Travel Expenses.
 - Includes all replacement parts required.
 - Unlimited Access to our 24 hour by 7 day Technical Support Help Desk.
 - One Annual Radiation Survey.
 - One Annual Preventive Maintenance check. Complete operational and calibration procedure performed.
 - Valued Customer Status – 20% Discount on User/Applications Training and Professional Services.
 - c) Parts-Only
 - Includes all Replacement Parts required.
 - Same day shipment of most parts needed.
 - Includes all Travel Expenses.
 - Freight out expense included (freight in to be covered by the customer).
 - Unlimited Access to our 24 hour by 7 Technical Support Help Desk.
 - Valued Customer Status – 10% Discount on User/Application Training and Product Services –25% Discount on Technical Training.

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d) Shared Service Agreement

- On-Site Service Coverage – 8:30 a.m. – 5:00 p.m., Monday – Friday excluding holidays.
- Each service occurrence is subject to a \$500.00 deductible.
- After the deductible, includes all Labor, Travel Time & Expenses and Parts required.
-
- One Annual Preventative Maintenance check, subject to the \$500.00 deductible.
- Unlimited Access to a 24 hour by 7 day Technical Support Help Desk.
- Valued Customer Status – 15% Discount on User/Applications Training and Professional Services.

- iii. Purchasing Group members requiring service before or after the warranty expiration and for all time and materials and maintenance contract repairs must do the following:
- Call Contractor service and technical support at 800-297-0955.
 - For time and materials repairs, the Purchasing Group member must either email or fax a copy of a Purchase Order to Contractor.

C. Product Compliance

All products offered for sale by Contractor to any Customer under this Agreement must be compliant with all standards and regulations as set forth by all federal agencies including the Federal Aviation Administration and state and local governmental entities.

4. Ordering Process

Contractor will establish individual customer accounts with members of the Purchasing Group placing orders under this Agreement. The individual accounts will be linked together and identified as a statewide account associated with the Agreement.

5. Customer Service

Contractor's customer service process shall ensure that all customer service issues are addressed in a consistent manner, including problem escalation and resolution of maintenance and service issues. The customer service process includes, but is not limited to:

- a. Customer service organizational structure.
- b. Contact process (phone, email, fax, etc.).
- c. Follow up process.
- d. Internal procedures to track customer service contact and resolution.
- e. Escalation process to resolve outstanding customer service issues.

End of Exhibit C – Revision 1